



Rachlin Cohen & Holtz LLP
Certified Public Accountants & Consultants

Management Letter in Accordance with the Rules of the Auditor General of the State of Florida

Honorable Mayor, City Council and City Manager
City of North Miami, Florida

We have audited the general purpose financial statements of the City of North Miami, Florida (the City) as of and for the year ended September 30, 1999, and have issued our report thereon dated February 4, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

In connection with our audit of general purpose financial statements of the City of North Miami for the year ended September 30, 1999, we report the following in accordance with Chapter 10.550, Rules of the Auditor General, *Local Government Entity Audits* which requires that this report specifically address, but not be limited to, the matters outlined in Rule 10.554(1)(e):

1. No inaccuracies, irregularities, shortages, defalcations or violations of laws, rules, regulations and contractual provisions were reported in the preceding annual financial audit.
2. The City, during fiscal year 1999, was not in a state of financial emergency as defined by Florida Statute, Section 218.503(1). The Solid Waste fund has had a deficit balance for three consecutive years. The deficit in the solid waste services fund is expected to be funded through a reduction in certain operating costs over the next several fiscal years.
3. Recommendations to improve the City's present financial management, accounting procedures and internal accounting controls have been addressed in the schedule of findings and questioned costs accompanying this report.
4. Recommendations made in the preceding annual financial audit have been implemented except as reported in the summary schedule of prior audit findings.
5. During the course of our audit, nothing came to our attention that caused us to believe that the City:
 - a. Was in violation of any laws, rules or regulations.
 - b. Made any illegal or improper expenditures.
 - c. Had improper or inadequate accounting procedures.
 - d. Failed to record financial transactions, which could have a material effect on the City's general purpose financial statements.
 - e. Had other inaccuracies, irregularities, shortages and defalcations.



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6. The annual financial report for the year ended September 30, 1999 has been filed with the Department of Banking and Finance pursuant to Section 218.32(1)(a), Florida Statutes, and is in agreement with the audited financial statements of the same period.
7. The City was incorporated by Chapter 165, Florida Statutes. The Museum of Contemporary Art, Inc., the City's component unit, was created by the City of North Miami, Ordinance 768, adopted October 14, 1980 and was incorporated in the State of Florida on August 18, 1981.

This report is intended for the information and use of the Mayor, City Council, management and the Auditor General of the State of Florida and is not intended to be and should be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Rachlin Cohen & Holtz LLP

Miami, Florida
February 4, 2000